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## IDAHO DIVISION OF VETERANS SERVICES 90-DAY FOLLOW-UP

On August 17, 2011, the Legislative Services Office released a management report for the Idaho Division of Veterans Services for the fiscal years 2008, 2009, and 2010. The Division was contacted on January 18, 2012, and this report addresses how it has responded to the two findings and recommendations contained in that report.

### FINDING 1

Costs for contract pharmacy services at the Boise facility are excessive when compared with the other facilities.

**We recommended that the Division reevaluate the contract and bidding requirements for pharmacy services at the Boise facility to ensure that terms and conditions are reasonable and bidding requirements did not unnecessarily restrict competition. We also recommended that the Division adhere to the terms and conditions of the written pharmacy services contract or seek a formal amendment to support the current billing practice.**

### AUDIT FOLLOW-UP

The Division has reviewed its contract bidding process for the Boise home. The Request for Proposal (RFP) for the new contract will be the same as the two other homes in the State, with slight modifications to account for the larger bed count at the Boise home. The Division plans to contact the State Board of Pharmacy to determine the best method of distribution for the RFP to generate more responses. In addition, the Division is adhering to the provisions to the written pharmacy contract.

### STATUS – CLOSED

### FINDING 2

Cash balances continue to grow, and no formal plan is in place to address this situation.

**We recommended that the Division initiate a discussion with executive and legislative leadership to develop a formal plan to address the increasing cash balances.**

### AUDIT FOLLOW-UP

The Division has created a Cash Reserves Reduction Plan. The plan lists items in preferential order to reduce the cash reserves with the support of Idaho veterans as the highest priority. The Division presented the plan to the Division of Financial Management and the Budget and Policy Analysis Division of the Legislative Services Office as part of its annual budget preparation.

### STATUS – CLOSED